

CONFIDENTIAL**INSURANCE FOR OVERSEAS PERSONNEL**

1. A major problem affecting almost every employee going overseas is that of obtaining adequate insurance on his personal property. The following are the types of insurance which individuals most normally should carry:

- a) Insurance on household and personal effects in storage in the United States;
- b) Marine insurance (general average) to protect against general liability for loss or damage to all or any part of a ship's cargo;
- c) Insurance against destruction, loss, damage, or scratching of personal property while in transit;
- d) Burglary and fire insurance against loss of property while in overseas residence; and,
- e) Loss of personal effects while traveling (floater insurance).

2. At the present time, each employee is entirely on his own with respect to these types of insurance. He receives little or no guidance from Central Processing Division. Moreover, most employees do not know a knowledgeable insurance agent who can advise them in this respect. The result is that individual employees often buy from one to five policies only to find that losses actually encountered are not covered. I am advised by persons with extensive field and Headquarters administrative experience that of hundreds of damage or loss claims submitted by employees, extremely few have ever been paid. In fact, the insurance protection received by the average employee has been generally termed a racket. The rates are exorbitantly high and the protection received after reading the fine print exclusions is often negligible.

3. The purpose of this memorandum is both to call attention to a type of insurance coverage which I have encountered in processing for overseas and which appears to be the least expensive and most comprehensive insurance available. Secondly, I wish to make specific recommendations which would make this insurance more readily available to all employees.

4. The American International Underwriter Corporation is an insurance underwriting group organized by some of the major and most reliable insurance companies in the United States. This group makes a specialty of foreign insurance for U.S. firms and individuals. In this connection, they have special policies for members of the Armed Services and civilian officers and employees of Government agencies.

The writer, as a government employee, was able to obtain a single floater policy covering all of the risks outlined in paragraph 1 above at a rate which I am told is outstandingly low. \$5000 coverage costs \$125.00 and \$3000 coverage costs only \$75.00. If less than this amount is carried, the company will not give coverage on shipping damage.

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5. The following proposals are made with respect to the solution of the insurance problems of Agency personnel.

a) That the Insurance and Casualty Division make a study of the various types of insurance coverage which the average employee might desire to carry and make an investigation among the various insurance companies to determine the company or companies having the most satisfactory and economical policies.

b) That Central Processing broaden its briefing discussion on the insurance problems of employees going overseas.

c) That CIA explore the possibility of obtaining a group policy which could be administered by CIA for security reasons.

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